

### REMARKS

Claims 2, 3, 6, 10 and 13 have been canceled in this Reply. New claims 23-25 have been added. Claims 1, 4, 5, 7-9, 11, 12, 14, 15 and 23-25 are now pending in this application. Reconsideration of the application is earnestly requested.

#### The Present Invention

The present invention allows value to be loaded onto a smart card within a mobile telephone handset using a wireless telecommunications network. The prior art previously restricted smart card loading at fixed terminals. Using the wireless telecommunications network, the handset becomes a remote terminal load and purchase device for the smart card.

#### The Cited Art Distinguished

The Office Action uses the *Rankl* book to show three separate smart card technologies, and then assumes it would be an obvious matter to simply combine the technologies. The Office action uses as a base reference the Mondex system described at pages 343-345. The Mondex system shows a conventional telephone in Figure 12.15 and describes that the telephone has a built-in smart card reader and that loading of the smart card occurs over the telephone. But, the Mondex system does not show a mobile telephone incorporating a SIM into which an inserted smart card is loaded. Figure 12.15 only shows a conventional, fixed, wired telephone; the background of the present application points out that fixed loading terminals such as a wired telephone, terminal or computer are less than desirable.

As a second reference, the Office Action refers to the inter-sector (IEP) electronic purse described at pages 336-337. This electronic purse describes loading a smart card at a fixed terminal, but does not describe loading a smart card while the smart card is incorporated within a mobile telephone.

As a third reference, the Office Action refers to the GSM Network at pages 362-364. The GSM Network shows in Figure 13.2 a mobile telephone that incorporates a subscriber identification module (SIM), that is also a smart card. But, this mobile telephone does not incorporate a smart card onto which value can be loaded in addition to the SIM. In fact, there is no disclosure whatsoever concerning loading value onto an additional smart card. The SIM is not arranged to receive value; its only purpose is to facilitate communication.

The Office Action suggests at pages 6-7 that it would have been an obvious matter to modify the fixed, wired telephone of Mondex using the wireless telephone of the GSM Network to arrive at the present invention. Applicant respectfully disagrees. Mondex simply shows the prior art which is a fixed, wired telephone into which a smart card may be inserted in order to transfer value. The electronic purse also only describes a prior art purchase and load using a fixed terminal. It is an enormous leap of faith to simply assume that one of skill the art would look at the fixed loading systems of Mondex and the electronic purse, understand that a wireless GSM telephone exists, and suddenly arrive at the present invention.

The cited references do not disclose any details or means by which value may be loaded onto a smart card in a wireless telephone over a wireless telecommunications network. These details are the inventive step that Applicant has arrived at to reach the present invention. Because none of these details are present in the cited references, Applicant submits it is not simply an obvious matter to combine all three references and arrive at the present invention. For these reasons, it is requested that the §103 rejection of independent claims 1, 5, 9 and 12 be withdrawn.

Claims 7, 11, 14 and 23

As pointed out at pages 5, 9, 10 and elsewhere, one embodiment of the present invention integrates chip commands with the Short Message Service (SMS) channel by using special alphanumeric messages. These chip commands intended for the smart card of the mobile telephone are integrated into SMS by being placed into the "envelope" of an SMS messages in order that they may be delivered to the smart card. The advantage is that the smart card need not be aware that it is inside a mobile telephone. For all the smart card knows, it has been inserted into a traditional, fixed terminal such as a computer or other loading device. Therefore, existing protocols and commands may be used to communicate with the smart card in order to load it or to use it to make a purchase. The chip commands intended for the smart card are cleverly inserted into an SMS message so that they may be transmitted over a wireless telecommunications network to the mobile telephone and thence to the smart card attached.

Each of claims 7, 11, 14 and 23 require that a specific message or a chip command is implemented as an alphanumeric message integrated within a standard SMS message. In this fashion, a remote terminal may load the smart card or transact a purchase with the smart card just

as if the smart card were inserted into the remote device. This feature is neither taught nor suggested by any of the cited references.

The Office Action simply states at page 8 that "Utilization of the Short Message Service channel for transmission of data or messages is old and well-known in the art of telecommunications and mobile system design." Applicant agrees that SMS messages were existing at the time of the present invention; but Applicant is not simply claiming sending a message or data using SMS. The above claims very specific specifically point out that chip commands or response messages intended for the smart card are implemented as an alphanumeric message and an integrated within a standard SMS message. Using this technique, the present invention can transmit important commands and security data to a smart card. SMS is not being used to simply send a text message; it is being used to control operation of a smart card within a mobile telephone. Applicant requests that the rejection of these claims be withdrawn.

Claims 24 and 25

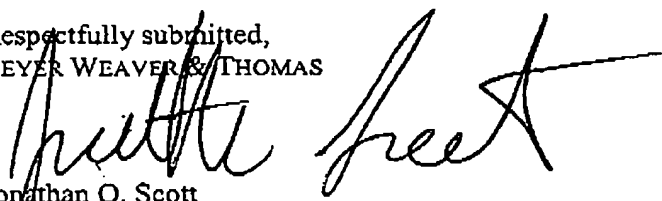
Claims 24 and 25 require that the smart card be removed from the handset and then used to make a purchase in conjunction with a separate smart card reader. The smart card is thus not a fixed part of the mobile telephone, but is a separate card that may be removed and used with any other suitable smart card reader in order to perform a transaction.

Incorporation of Essential Material: *Applied Cryptography et al.*

The Office Action states that the Applicant is required to amend the disclosure to incorporate material from this reference if this material is relied upon to overcome an objection or rejection imposed by the Office. This reference discusses cryptographic techniques in general and Applicant is not claiming to have invented any particular cryptographic technique nor is claiming a cryptographic technique. Cryptographic techniques may be used in implementation of the present invention as described in the specification to realize certain advantages such as security. The reference is representative of the state of the art at the time of Applicant's invention. Applicant does not use any material from this reference in order to overcome a rejection imposed by the Office.

Reconsideration of this application and issuance of a Notice of Allowance at an early date are respectfully requested. If the Examiner believes a telephone conference would in any way expedite prosecution, please do not hesitate to telephone the undersigned at (612) 252-3330.

Respectfully submitted,  
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